increase in Prices of Bulk Drugs and Formulations

512. SHRI RAJNI RANJAN SAHU ; SHRI H. HANUMANTHAPPA : SHRIMATI SATYA BAHIN :

Will the PRIME MINISTER be pleased to refer to USQ 1136 given in Rajya Sabha on 7-5-1992 and state :

(a) whethrt it *is a* fact that stocks of intermediates with the producers on which lower customs duly was paid; latest consumption co-efficients of major inputs and the latest CIF prices were no; taken into consideration while increasing the prices in 1990-91 and 1991-92;

(b) if so, the reasons therefor:

(c) whether it is a fact that the producers were benefited by crores of rupees in the process, and if so, what steps have been taken to investigate the matter;

(d) whether any *suo-moto* increase in the prices, of formulations was allowed in 1990-91 and 1991-92 and if so, what are the details indicating the names of producers and formulations earlier prices, revised prices, bulk drug rate allowed in *suo moto* increase in prices; and

(e) what were the reasons for allowing that increase ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN) :
(a) to (c) The Government does not monitor the inventory carried by manufacturers/stockists etc. whose number runs into several thousands nor it is physically poss.ble to do so. However, consumption co-efficients as taken by BICP and available CIF prices are considered while revising the prices in accordance with the price-escalation formula given by BICP.

(d) The prices of formulations have been worked out on *suo-moto* basis and notified in the official Gazette in cases of ceiling packs from time to time.

(e) Price revision resulting m increases are in accordance with the provisions of | DPCO 1987 and has been given to ensure availability and to avoid shortages.

Amount due from M/s. Hoechst

513. SHRIMATI KAILASHPATl : Will he PRIME MINISTER be pleased to refer to the answer to Unstarred Question No. 1134 given in Rajya Sabha on 7-5-92 and state :

(a) what are the details of the consent order passed by the Bombay High Court in the case of M/s. Hoechst and the reasons that government became a Party to the consent order;

(b) whether opinion of the Ministry of Law and Justice was taken before becoming a party to the consent order;

(c) whether the process of getting data, giving hearing and finalising the liabilities is over;

(d) since when the recovery of liability is pending and what is the amount daft to be recovered on 30th Oct., 1992; and

(e) what is the present position of the case ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN) :
(a) and (b) The High Court of Bombay w;-s of the view that it was necessary to finalise the liability against M/s. Hoechst after the required hearing and at their instance a schedule was drawn up for this purpose. Accordingly the Bombay High Court passed orders on 8-3-91. Copy of the order is attached as statement. *(See* below).

(c) to (e) The process of giving data and I giving the details to M/s. Hoechst is almost over.